

Part 6

Members' Allowances Scheme

MEMBERS' ALLOWANCES SCHEME

CONTENTS

	Page
A - General Guidance	
1. Introduction	5
2. Claiming allowances	6
3. Co-opted Members	6
4. Enquiries and disputes about allowances and expenses	7
5. Directly Elected Mayor's Allowance	7
6. Basic Allowance	8
7. Special Responsibility Allowance	9
8. Dependant Carers Allowance	9
9. Travel Allowance	11
10. Making Travel Arrangements	13
11. Subsistence Allowance	13
12. Telephone Allowance	17
13. Out of pocket expenses	18
14. Financial Loss Allowance	18
15. Records and publicity	19
16. Tax, National Insurance and the production of receipts	19
17. Members working or living outside Hartlepool	20
B - Further Information and Guidance	
Schedule 1 Approved Duties	21
Schedule 2 Approved Conferences, Seminars and Meetings	23
Schedule 3 Detailed guidance notes on Member attendance at meetings, conferences and seminars	25

MEMBERS' ALLOWANCES SCHEME

A GENERAL GUIDANCE

1 INTRODUCTION

- 1.1 Councillors are entitled to claim certain allowances in recognition of the time devoted by them to their work and are also entitled to claim allowances for travel and subsistence costs. Under the Local Government Act 2000 Councils are obliged to set up Independent Remuneration Panels to consider and make recommendations to Council on a range of issues.
- 1.2 The Independent Remuneration Panel has been established by the Council under the provisions of the Act with the selection of the Panel being made by the Council's Standards Committee which has an independent Chair and Vice-Chair.
- 1.3 The Panels job is to make recommendation to Council on a range of issues. Whilst the Council is not obliged to accept these recommendations it is strongly influenced by them and must give them due consideration.
- 1.4 The responsibilities of the Panel are :-
- To establish an allowance payable to the Directly Elected Mayor from 6th May 2002.
 - To establish the level of basic allowance payable to all Members of the Council to cover their normal duties as a Councillor.
 - To consider whether a Dependant Carer's allowance should be payable to relevant Councillors and if so at what level.
 - To identify any Councillor posts of special responsibility and to assign an appropriate allowance to each such post.
 - To consider and make recommendations on the pensionability of the above allowances.
 - To make recommendations to the Council on travelling and subsistence allowances to be paid to all elected Members.

1.5 Part A of this guidance sets out in general terms the procedures agreed for the administration and claiming of allowances. More detailed guidance information is set out in Part B.

2 CLAIMING ALLOWANCES

2.1 The first point of contact for any issue concerning allowances should be the Members' Services Team in the Councillors' Office at the Civic Centre. All queries should be directed to them. If they are not able to adequately address an issue, then they will pursue the query with the relevant officers on behalf of the Member.

2.2 The Elected Mayor's allowance, all Basic and Special responsibility allowances are paid either directly into Members bank accounts or by cheque. There is no need for any claim forms to be completed.

2.3 Other allowances, such as Dependant Carer's allowance or travel allowance, should be claimed using the appropriate claim form. These are available from the Members' Services Team. Details of the allowances and expenses that Members are entitled to are outlined in the following paragraphs. In addition, Members should be aware of the following general principles:

- Claims for expenses should be made on a regular basis (the Standards Committee suggests that the duration of any claim for travel or subsistence allowances should be no more than one month - subject to the final claim in any financial year being submitted within two weeks of the year end). To assist in the administration of claims it would be helpful if they are made before the 15th day of the following month.
- Members are responsible for the accuracy of their expenses claims
- Members should allow adequate time for the processing of claims
- Payment by cash should only be made in exceptional circumstances
- Claim forms must not be completed on behalf of Members by other Members or by Officers

3 CO-OPTED MEMBERS

3.1 Co-opted members of the authority are entitled to claim a number of allowances and expenses. The same rules that apply to Councillors

for the claiming and receipt of allowances and expenses apply to co-opted Members

3.2 The allowances that they are eligible to claim for are as follows:

- Travel
- Subsistence
- Financial loss

4 ENQUIRIES AND DISPUTES ABOUT ALLOWANCES AND EXPENSES

4.1 In the first instance Members should approach staff in the Members' Services Team with any queries about claims for allowances and expenses.

4.2 If a dispute arises about a specific claim it should be referred to the Principal Registration and Members' Services Officer. The Officer will be able to advise Members on the operation of the scheme for allowances and expenses and, as the Officer responsible for its day to day operation, is able to adjudicate in such circumstance. If the issue is not able to be resolved then the Central Services Manager should be approached.

4.3 If a member continues to be unhappy with a specific claim, the Chief Financial Officer should then be approached for a final resolution of the dispute.

5 DIRECTLY ELECTED MAYOR'S ALLOWANCE

5.1 The Independent Remuneration Panel recommended and the Council accepted the recommendation on the level of allowance payable to the Directly Elected Mayor from the 6th May 2002. The allowance will be inclusive of Basic Allowance and will be subject to an annual increase every April, starting in April 2003, on the basis of the cost of living increase paid to staff under the NJC for Local Government Services employed by the Council.

5.2 The inclusive annual rate payable from 1st August 2009 is £63,902.

Payment

5.3 This is payable monthly and will be paid directly into a bank account.

Tax and National Insurance & Pension

- 5.4 The allowance is subject to both tax and national insurance deductions and subject to regulations the allowance will also be pensionable.

6 BASIC ALLOWANCE

- 6.1 This allowance is payable to all Councillors and the following activities fall within its scope:
- All formal meetings of the Authority, a committee of the authority, the executive and all other duties undertaken on behalf of the authority
 - Meetings with officers
 - Meetings with constituents
 - Personal research
 - Informal meetings with other Members
 - Meetings of organisations outside the approved list
 - Political group meetings
 - Ward Surgeries

Rate

- 6.2 The current rate of Basic Allowance is £5,767 per annum.

Payment

- 6.3 This is payable either monthly or weekly in advance. It can either be paid directly into a bank account or by cheque.

Tax and National Insurance

- 6.4 The allowance is subject to both tax and national insurance deductions.

7 SPECIAL RESPONSIBILITY ALLOWANCE

- 7.1 This allowance is payable to Councillors who undertake specified additional duties as part of their role as a councillor. No more than one special responsibility allowance can be claimed by any one Member.

Rates

- 7.2 The rates of allowance payable to various post holders are:-

Cabinet Members/Executive Board Chair	£5,767
Chair of Council	£4,614
Neighbourhood Forum Chair	£3,461
Scrutiny Co-ordinating Committee Chair	£5,767
Scrutiny Forum Chair	£3,461
Planning Committee Chair	£5,767
Licensing Committee Chair	£3,461
Contract Scrutiny Committee Chair	£1,153
Majority Group Leader	£5,767
Principal Minority Group Leader	£3,461
Secondary Minority Group Leader	£3,461

Payment of Special Responsibility Allowance

- 7.3 This is payable either monthly or weekly in advance. It can either be paid directly into a bank account or by cheque.

Tax and National Insurance

- 7.4 The allowance is subject to both tax and national insurance deductions.

8 DEPENDANT CARERS ALLOWANCE

- 8.1 The Council has accepted the recommendations of the Independent Remuneration Panel in regard to the payment of a Dependant Carers Allowance in specific circumstances.
- 8.2 The allowance is only payable, under Regulations made by Government in 2001 for specified duties which are:-

- A meeting of the Executive
- A meeting of a committee of the executive.
- A meeting of the authority
- A meeting of a committee or sub-committee of the authority.
- A meeting of any body to which the authority makes appointments or nominations, or a meeting of a committee or sub-committee of such a body.
- A meeting which has been both authorised by the authority, a committee or sub-committee of the authority or a joint committee of the authority, or sub-committee and to which representatives of more than one political group have been invited (or where the authority is not divided into political groups two or more Councillors have been invited).
- A meeting of a local authority association of which the authority is a member.
- Duties undertaken on behalf of the authority in pursuance of any standing order made under Section 135 of the Local Government Act 1972 requiring a Member or Members to be present while tender documents are opened.
- Duties undertaken on behalf of the authority in connection with the discharge of any function of the authority conferred by or under any enactment and empowering or requiring the authority to inspect or authorise the inspection of premises.
- Duties undertaken on behalf of the authority in connection with arrangements made by the authority for the attendance of pupils at a school approved for the purposes of Section 342 of the Education Act 1996.

8.3 This is a discretionary allowance which the Council has determined it is right and just to pay in appropriate circumstances. The following rates and rules apply to claims for this allowance.

8.4 The allowance applies to Members who incur expenditure for the care of children or dependant relations whilst undertaking the above duties. Claims are subject to:-

- The maximum hourly rate claimable, be the national minimum wage and that this be increased annually as the national minimum wage increases.

- Payment is claimable in respect of children aged 15 or under or in respect of other related dependants where there are medical or social care needs.
- The scheme be limited to 2 claims per week with each claim being no longer than 7 hours each, except in special circumstances to be judged by the Council's Standards Committee.
- The allowance is paid as a reimbursement of incurred expenditure against receipts.
- The allowance will not be payable for care provided by a member of the claimant's own household or immediate family.
- No payment will be made in respect of any dependant person for whom an attendance allowance is already payable.
- The scheme will be reviewed by the Independent Remuneration Panel after not more than twelve months operation and a recommendation made to Council.

Tax and National Insurance

- 8.5 This allowance, on the advice of the Inland Revenue is subject to tax and national insurance.

9 TRAVEL ALLOWANCE

- 9.1 The whole scheme for travelling and subsistence allowances will be reviewed in the light of regulations which are awaited from the Government. In the meantime the current arrangements will apply which are as follows.
- 9.2 Different conditions apply to the entitlement for travel allowances depending on the type of meeting that is being attended, the distance to be travelled and the mode of transport. All three criteria need to be considered when determining entitlement and how it should be claimed.

Type of meeting, event or activity

- 9.3 These fall into three categories:
- Council meetings – meetings of Council, Committees, the Executive, Forums, etc and meetings that are closely

associated with these, for example a pre-agenda meeting (as an executive member, panel or forum chair) or a Neighbourhood Forum. Please refer to Schedule 1 (Approved duties) of Part B for more details.

- Meetings of “outside bodies” to which a Member is appointed. A list of these can be found in Part 7 of the Constitution.
- Seminars, conferences, etc. – Schedule 2 of Part B details the annual approved list, however, subject to the approval of the Chief Executive, Members are entitled to attend other events.

The distance to be travelled

9.4 Members need to consider whether the journey is local or non-local. The definitions are as follows:

- Local journeys are within a 35 mile radius of Hartlepool, destinations include:

Darlington	Middlesbrough	Stockton
Durham	Newcastle	Sunderland
Gateshead	Redcar	

- Non-local journeys are those to destinations more than 35 miles from Hartlepool. Members are expected to liaise with the Members’ Services Team in making travel arrangements for longer journeys. Members must seek approval to make a journey that is more than 35 miles from Hartlepool.

Mode of transport

9.5 When using a car or local public transport Members would be expected to make their own arrangements. Use of public transport for longer journeys must be made through the Members’ Services Team. Details of the regulations for each mode of transport can be found in Table A.

Rates and conditions that apply to claims for travel allowance

9.6 These are outlined in Table A .

Payment of travel allowance

- 9.7 This will be made in arrears and claims should be made within a month of the event and, at the latest, within two weeks of every month end (i.e. by the 15th day of the following month).

Tax and National Insurance

- 9.8 This allowance may be subject to tax and national insurance where receipts covering the actual costs incurred are not provided.

10 MAKING TRAVEL ARRANGEMENTS

Local journeys – within 35 miles of the Civic Centre

- 10.1 Wherever possible Members should enquire about the availability of the Civic Vehicle for making local journeys. This can be booked through the Members' Services Team. If use of the Civic Vehicle is not possible then Members would be expected to use public transport or their car.
- 10.2 If using their own car, Members are requested to offer transport to colleagues attending the same meeting or event.

Non-local journey – more than 35 miles from the Civic Centre

- 10.3 Members are more likely to use public transport for such journeys. Where public transport is to be used, travel arrangements should be made through the Members' Services Team in order to obtain the discounts that are available through the Council's authorised travel agent. Any officer accompanying a Member(s) to a non-local event, and using his/her own vehicle to attend the event, would be expected to take the Member(s) involved.

11 SUBSISTENCE ALLOWANCE

- 11.1 Members may claim this allowance where they have necessarily incurred expenditure when performing the duties outlined in Schedule 1 (Approved duties) of Part B. The allowance is based on time spent away from home.
- 11.2 Some restrictions are placed on eligibility for subsistence allowance, for example where a Member is attending an event where meals are provided. These are dealt with in detail in Schedule 3 of Part B.

MODE OF TRANSPORT	RATES	CONDITIONS FOR USE
TRAIN COACH PLANE FERRY	<p>Members are entitled to travel Standard, Second or Economy Class.</p> <p>Where a Member is eligible for a Railcard this will be purchased for him/her by the Members' Services Team at a time when travel takes place.</p>	<ul style="list-style-type: none"> • All travel tickets will be ordered and obtained by the Members' Services Team who will, as a matter of course, seek the most competitive rates.
TAXI	<p>Members may claim the actual cost of the journey plus a reasonable gratuity on production of a detailed receipt incorporating the amount paid, the date of the journey and the journey undertaken.</p>	<ul style="list-style-type: none"> • Where no public transport is reasonably available • In cases of extreme emergency • Early morning/late evening journeys to and from the main-line rail station (Darlington) • In the event of illness or where the Member has a long-term medical problem
OTHER(s) Tube/Underground, bus, parking costs	<p>Members may claim the actual cost of incidental journeys/expenditure as incurred</p>	<ul style="list-style-type: none"> • Wherever possible a detailed receipt should be obtained.

Rates of subsistence allowance

11.3 These vary depending on whether or not an overnight stay is involved.

11.4 Absence not involving an overnight stay:

Breakfast Allowance

More than 4 hours away from normal place of residence before 11am £5.98

Lunch Allowance

More than 4 hours away from normal place of residence including the period 12 noon to 2pm £8.24

Tea Allowance

More than 4 hours away from normal place of residence including the period 3pm and 6pm £3.25

Evening Meal Allowance

More than 4 hours away from normal place of residence and ending after 7pm £10.21

11.5 Overnight (24 hour) absence from usual place of residence:

Outside London £79.82

London £91.04

Payment of Subsistence Allowance

11.6 This will be made in arrears and claims should be made within a month of the event and, at the latest, within two weeks of every month end (i.e. by the 15th day of the following month).

Tax and National Insurance

11.7 This allowance may be subject to tax and national insurance where receipts covering the actual costs incurred are not provided.

12 TELEPHONE ALLOWANCE

Members can be reimbursed for the cost of the installation of a telephone line if not already connected. Members are also eligible to claim the cost of line and telephone rental.

13 OUT OF POCKET EXPENSES

- 13.1 Members may claim “out of pocket expenses” whilst staying in residential accommodation where meals are provided for in the overall fee.

Rates for out of pocket expenses

- 13.2 £3.63 per 24 hour period up to a maximum of £14.55 per week.

Payment of out of pocket expenses

- 13.3 This will be made in arrears and claims should be made on a regular basis, within 14 days of the event and at the latest within two weeks of every month end.

Tax and National Insurance

- 13.4 This is **not** subject to tax or national insurance.

14 FINANCIAL LOSS ALLOWANCE (ONLY PAYABLE TO CO-OPTED MEMBERS)

- 14.1 Members who are not Councillors (i.e. Co-opted or “added” Members) may claim financial loss allowance for performance of approved duties.

Rates of Financial Loss Allowance

- 14.2 The actual loss suffered or expense incurred may be claimed, subject to the following maximum for the performance of an approved duty:

Not exceeding 4 hours	£27.65
More than 4 hours but less than 24 hours	£52.49
For periods over 24 hours, for each complete 24 hours	£52.49

(plus the appropriate rate for the remainder of the period)

Payment of Financial Loss Allowances

- 14.3 This will be made in arrears and claims should be made on a regular basis, within 14 days of the event and at the latest within two weeks of every month end. Evidence to substantiate the claim will be required.

Tax and National Insurance

- 14.4 This is subject to both tax and National Insurance deductions.

15 RECORDS AND PUBLICITY

The Council is required to keep a record of payments made to Members in accordance with the Members Allowances and Expenses Scheme. The record is available for public inspection by local electors and it must give details of the amount and nature of payments to each Councillor. As soon as practicable after the end of the year to which the scheme applies the Council must publicise the total paid to each member in respect of basic allowance, special responsibility allowance, travel allowance and subsistence allowance.

16 TAX, NATIONAL INSURANCE AND THE PRODUCTION OF RECEIPTS

- 16.1 The previous paragraphs have, where possible, identified the tax and national insurance positions for each allowance. Taxation and National Insurance regulations are very complex and the position could vary depending on an individual councillor's own position. The payment of allowances may also have an impact on any social security benefits an individual member receives. Any queries should be directed to the Payments Officer.
- 16.2 Wherever possible Councillors should include receipts for travel and subsistence allowance claims. This is not obligatory*, however it is in Members' interests to do so for two reasons:
- it is good practice in the administration of an expenses system;
 - failure to include receipts may lead to claims for travel and subsistence allowance being subject to tax and national insurance.

*with the exception of rail ticket, where the normal procedures for purchasing tickets have not been used, and taxi journeys - in both instances receipts must accompany claims.

17 MEMBERS WORKING OR LIVING OUTSIDE HARTLEPOOL

Where a Member temporarily or permanently works or lives outside the boundaries of Hartlepool, then subsistence and travel expenses should be fully reimbursed for additional return journeys or any excess mileage incurred, up to a 35 mile radius from the Civic Centre.

PART B

SCHEDULE 1 - APPROVED DUTIES

The list below sets out Approved Duties for the payment of travel and subsistence allowances.

- 1 Attendance at meetings:
 - i) Of Council, the Executive, Neighbourhood Forums, Scrutiny Forums, Panels and the Standards Committee to which the Member has been appointed.
 - ii) Of any sub-committee constituted under Council Procedure Rule 25 to which the Member has been appointed.
 - iii) As a substitute for an appointed Member under Council Procedure Rule 4 at any of the meetings described at (i) and (ii) above.
 - iv) Of committees described at (i) and (ii) above at the specific request of the body.
- 2 Attendance at meetings of working parties, panels and groups established by a committee or sub-committee of the Council, for the purpose of, or in connection with, the discharge of the functions of the Council or any of its committees or sub-committees, PROVIDED THAT at least one Member from each political group has been appointed to the particular working party, panel or group.
- 3 Attendance as a Council appointee at meetings of independent panels constituted by the Council, such as:
 - Family Placement Panel
 - School Admissions Appeals Panel
 - School Exclusions Appeals Panel
- 4 Attendance as a Council appointee (or a substitute) at meetings of associations, boards and other committees and authorities listed in Part 7 of this Constitution, provided that the member is not entitled to receive any remuneration for travel or subsistence in respect of such meetings otherwise than under this scheme.
- 5 Attendance at Members' Seminars as part of the Council's programme of seminars.

- 6 Attendance at a site visit or Council inspection, approved by the appropriate Committee, if not as, or as part of, a properly constituted meeting.
- 7 Attendance at training courses for Members as part of the Council's approved training programme for Councillors.
- 8 Duties required to be performed by Cabinet Members (Portfolio holders), Forums, Panels, Standards Committee and Cabinet Deputies with a portfolio, such that relate to a specific engagement or organised event that a Chair/Cabinet Member attends in his or her capacity as a chair/Cabinet Member, where such can be recorded and monitored (but not ad hoc meetings with officers, etc.).
- 9 Attendance at Ward Surgeries (for the Ward to which a Member has been elected).
- 10 Attendance at political group meetings, provided that borough council business is to be discussed.

PART B

SCHEDULE 2 - APPROVED CONFERENCES, SEMINARS & MEETINGS

TO BE UPDATED

PART B

**SCHEDULE 3 - DETAILED GUIDANCE NOTES ON MEMBER
ATTENDANCE AT MEETINGS, CONFERENCES AND
SEMINARS**

TO BE UPDATED